

*Managing Sponsored Research at Berkeley Lab
Processes Related to Establishing and Managing Awards*

Advances
Summary Roles and Responsibilities

Advances: Advances for non-federal awards are required under DOE WFO Orders and the DOE Accounting Handbook. The purpose of an Advance is to ensure that a positive cash balance is maintained between the times that a PI incurs expenses and the receipt of the sponsor's invoice payments covering these expenses. This requirement ensures that no DOE funds are used to cover the costs of Sponsored Research. (Reference: DOE Accounting Handbook Chapter 13)

Principal Investigator:

Works with Division Analyst prior to submitting the proposal to SPO to assure that the advance requested will cover the 4 highest months of cost (including the start up, equipment, and 4 months of operations costs) of the research award. This will assure that a positive cash position is maintained through out the award period of performance.

Division Analyst:

Works with PI prior to submitting the proposal to SPO to assure that the advance requested will cover the 4 highest months of cost (including the start up, equipment, and 4 months of operations costs) of the research award to assure that a positive cash position is maintained through out the award period of performance.

Controller/Accounts Receivable:

Assure Advance Payments are applied in a timely fashion in order to maintain a positive cash.

Sponsored Projects Office:

Works with PI and Division Analyst prior to submitting the proposal to the Sponsor and during the award negotiations to assure that the advance requested will cover the 4 highest months of cost (including the start up, equipment, and 4 months of operations costs) to assure that a positive cash position is maintained until the end of any award.

Managing Sponsored Research at Berkeley Lab		
Processes Related to Establishing and Managing Awards		
Definition of Roles & Responsibilities		
<u>Advances</u>		
Final 3/31/04		
<i>The Roles and Responsibilities applies too all Sponsored Research including Work for Others, CRADAs, Users, Gifts (as applicable) and DOE M&O activities.</i>		
I. Advances		
Ia-Establishing NonFederal Sponsor Proposals with Advances		
<p>Note: Advances for non-federal awards are required under DOE WFO Orders and DOE accounting rules. Generally, this ensures that a positive cash balances is maintained between the times that a PI incurs expenses and the receipt of sponsor invoice payments covering these expenses. The purpose of this requirement is to assure that no DOE funds are used from the US Treasury to cover Sponsored Research</p>		
Division	Sponsored Projects Office	Controller
Division Analyst provides SPO with an advance estimate equal to the highest 4 consecutive months of expected expenditures which include both operating, equipment, and other significant research costs.		
Enters advance estimate in RAPID Proposal Header – Additional Information/Advance.		
NOTE: A full advance (equal to 100% of the award) is required where the NonFederal award term is less than six months or the amount is less than \$25,000.		
	Reviews proposal to make sure that the advance amount has been determined and placed in RAPID. If not, then will ask Division Analyst for correction.	
	Prepares the advance invoice.	
	Establishes proposal advance (bill) type in RAPID as part of the proposal approval process.	
	Send advance invoice to sponsor along with award and proposal	

Review Advance (Billing Type) Type At time of Award

NOTE: Presently the accounting system provides for 3 advance types (referenced as Billing Types): full, partial or no advance. In order to accommodate variations in sponsor invoicing arrangements, the award attributes - billing must be entered to reflect the invoice plan.

Division	Sponsored Projects Office	Controller
	Before an award is generated, reviews advance (billing) type and award (bill) type for correctness.	
	Make necessary adjustments.	

Receiving and Applying Advance Payments

Division	Sponsored Projects Office	Controller
		AP receives and logs advance checks and then forwards to AR.
		GA deposits advance wire or check in Misc Receipts by fund type.
		GA Sends a copy of the check or wire transfer notification to SPO and AR with fund type noted.
		AR Records receipt in Advance Hold Log or directly to the Award if known.
		If applying directly to award, then AR will call SPO CO to confirm that the Advance will be applied correctly.
	SPO matches payment to the SPO Advance Invoice and updates AR Advance Hold Log with expected date of release or other info	
	After Generating the Award, the SPO CO enters Advance information in the RAPID Advance Tracking panel after the award is generated.	
	In RAPID, SPO CO selects billing attribute that best describes the <i>invoice plan</i> associated with the advance type.	
	Once all award requirements are met, SPO issues a SPAA authorizing the Award, associated the Primary Project ID and application of the advance.	
		AR applies advance payments to the award based on SPAA.